

REMARKS

Applicants request favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1-36 are pending in the present application, with Claims 1, 15, and 24 being the independent claims. Claims 15-23 have been withdrawn from consideration.

Claims 1 and 24 have been amended. Support for these amendments can be found in the original specification, and therefore no new matter has been added.

Claims 1-9, 11-14, 24-34 and 36 are rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,122,403 (Rhoads) in view of U.S. Patent No. 6,154,571 (Cox et al.). Claims 10 and 35 are rejected under 35 U.S.C. §103(a) as being unpatentable over the patents to Rhoads and Cox et al. in view of U.S. Patent No. 6,334,721 (Horigane). Applicants respectfully traverse this rejection for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, *inter alia*, the feature of a determination step of employing the results obtained at a first information extraction step to determine whether a process for extracting digital watermark information from an image is to be performed. This feature is disclosed, for example, at least at page 130, line 20 through page 131, line 6 of the specification. As a result of this feature, overall processing speed can be increased because a process for extracting digital watermark information can be omitted based on the result of a first extraction step for extracting first information, including a registration signal.

Applicants submit that the cited art fails to disclose or suggest at least the above-mentioned feature. Based on the comments in the Office Action (for example, at page 2, lines 6-12), it appears that the Examiner is reading Cox et al. to disclose a determination step in step 18 and the subsequent steps of Fig. 1. However, in Cox et al. the

extraction process is always performed and is only ended when the last group G has been processed (see Fig. 1, step 24). The “determining” relates only to which terms to use when performing extraction process of a given group G, and not to determining whether a process for extracting digital watermark information is to be performed based on the results of a first information extracting step. Accordingly, Applicants submit that Cox et al. fails to disclose or suggest at least the feature of employing the results obtained at a first information extraction step to determine whether a process for extracting digital watermark information from an image is to be performed, as recited in amended independent Claim 1.

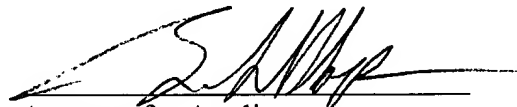
The other cited art also fails to disclose or suggest at least the above-mentioned feature. Therefore, independent Claim 1 is patentable over the cited art, whether that art is considered individually or taken in combination. Independent Claim 24 recites a similar feature and is patentable for similar reasons.

The dependent claims are patentable for at least the same reasons as their respective independent claims, as well as for the additional features recited in the dependent claims.

In view of the foregoing, Applicants submit that this application is in condition for allowance. Favorable reconsideration, withdrawal of the outstanding rejections, and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should be directed to our below-listed address.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'B. L. Klock', written over a horizontal line.

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